#### NATIONAL RECOVERY ADMINISTRATION

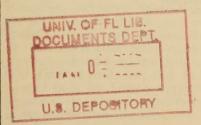
## AMENDMENT TO SUPPLEMENTARY CODE OF FAIR COMPETITION

FOR THE

# WHOLESALE MILLINERY TRADE

AS APPROVED ON AUGUST 30, 1934





UNITED STATES
GOVERNMENT PRINTING OFFICE
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### AMENDMENT TO SUPPLEMENTARY CODE OF FAIR COMPETITION

FOR THE

#### WHOLESALE MILLINERY TRADE

As Approved August 30, 1934

#### ORDER

Approving Amendments to Supplementary Code of Fair Competition for the Wholesale Millinery Trade

A DIVISION OF THE WHOLESALING OR DISTRIBUTING TRADE

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of amendments to a Supplementary Code of Fair Competition for the Wholesale Millinery Trade to the Code of Fair Competition for the Wholesaling or Distributing Trade, and hearings having been duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543—A, dated December 30, 1933, and otherwise, do hereby incorporate, by reference, said annexed report and do find that said amendments and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

Hugh S. Johnson, Administrator for Industrial Recovery.

Approval recommended:

ROBERT L. HOUSTON, Division Administrator.

Washington, D.C.

August 30, 1934.

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#### REPORT TO THE PRESIDENT

The President,

The White House.

Sir: This is a report of the Hearing on certain amendments to the Supplementary Code of Fair Competition for the Wholesale Millinery Trade, a Division of the Wholesaling or Distributing Trade, conducted in Room D of the Washington Hotel, Washington, D.C., on July 20, 1934. The amendments which are attached were presented by the Divisional Code Authority for the Wholesale Millinery Trade and have the approval of the Board of Directors of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc.

The annexed amendments deal largely with the clarification of the definition of wholesaler or distributor under the Supplementary Code of Fair Competition for the Wholesale Millinery Trade as it relates to wholesalers or distributors of Hat Bodies and Millinery Supplies. Proper, representatives were present at the Hearing.

The remaining amendments encompass administrative provisions to accommodate certain groups in the Trade and further provides for standard administrative provisions recommended by the Administration since the approval of the Supplementary Code of Fair Competition for the Wholesale Millinery Trade.

Only one amendment pertains to fair trade practices and it appears

to be in no way objectionable.

#### FINDINGS

The Deputy Administrator in his final report to me on said amendments to said Code, having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation, Subsection (a) of Section 3, Subsection (a) of Section 7 and

Subsection (b) of Section 10 thereof.

(c) The Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc., was and is a trade association truly representative of the aforesaid Trade and that said association imposed and imposes no inequitable restrictions on admission to membership therein and consents to these amendments.

(d) The amendments and the Code as amended are not designed

to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not oper-

ate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons these amendments have been approved.

Respectfully,

Hugh S. Johnson, Administrator.

AUGUST 30, 1934.

# AMENDMENT TO SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE WHOLESALE MILLINERY TRADE

A DIVISION OF THE WHOLESALING OR DISTRIBUTING TRADE

The Supplementary Code of Fair Competition for the Wholesale Millinery Trade is hereby amended by striking out Article I as it now reads and substituting the following:

#### ARTICLE I-PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act this Supplementary Code is established as a Code of Fair Competition for the Wholesale Millinery Trade pursuant to Article VI, Section 1 (c) of the General Code of Fair Competition for the Wholesaling or Distributing Trade, approved by the President of the United States on January 12, 1934. All provisions of said General Code which are not in conflict with the provisions of this Supplementary Code are hereby specifically incorporated by reference in this Supplementary Code and made part hereof. Such provisions of this Supplementary Code are the standards of Fair Competition and are binding upon every member of said Wholesale Millinery Trade.

The definition of "Wholesaler" or "Distributor" under Article

II is hereby amended to read as follows:

Wholesaler or Distributor.—The term "Wholesaler" or "Distributor" as used herein, is defined to mean any individual, partnership, association, corporation or other firm or division thereof, definitely organized to render and whose business is the rendering of a general distribution service to retailers generally, which buys and maintains at his or its place of business a stock of any one or more of the following lines, but without limitation:

(a) Trimmed ladies' hats;
(b) Untrimmed ladies' hats;
(c) Trimmed misses' hats;
(d) Untrimmed misses' hats;
(e) Trimmed children's hats;

(f) Untrimmed children's hats;

(g) Hat bodies;

(h) Incidental merchandise pertaining thereto, such as materials used in making or trimming any of the above listed items; and which through salesmen, advertising and/or sales promotion devices sells to retailers generally.

There shall be inserted under Article II, the following definition of a wholesaler or distributor of hat bodies and millinery supplies:

Wholesaler or Distributor of Hat Bodies and Millinery Supplies.—The term "Wholesaler" or "Distributor" of Hat Bodies and Millinery Supplies as used herein, is defined to mean any individual, partnership, association, corporation, or other firm or definitely organized division thereof, which buys and maintains at his or its place of business a stock of any one or more of the following lines, but without limitation:

(a) Hat bodies:

(b) Millinery supplies:

(c) Materials used in making, trimming or designing ladies,

misses and/or children's hats;

and which through salesmen and/or sales promotion devices sells to retailers but which does not sell in significant amounts to ultimate consumers.

Section 1 (b) of Article III is hereby amended to read as follows: (b) Such Divisional Code Authority shall be composed of fourteen members, nine of whom shall be members of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc., and selected by the Board of Directors thereof, with due regard for their residence in the major markets of the Trade, and two members shall be selected in a manner to be approved by the Administrator to represent those engaged in the Trade who are not members of the aforesaid Association, and three members to represent the Hat Body and Millinery Supply Distributors, such representa-

tives to be selected as hereinafter provided:

(1) The Board of Directors of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc., shall nominate ten members engaged principally in the Hat Body and Millinery Supply Distributing Trade who are not members of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc., and shall prepare ballots listing such names, and in addition, such ballots shall contain three blank spaces in which any member of the Hat Body and Millinery Supply Distributing Trade may write his personal choice. Such ballots shall be mailed to every member of such Trade ascertainable by diligent search by the Board of Directors of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc.

(2) Fifteen days after the mailing of these ballots the Board of Directors of the Associated Wholesale Distributors of Ladies', Misses' and Children's Hats, Inc., shall publicly open and count the votes which it has received. The three candidates receiving the largest number of votes shall be declared elected. The three candidates receiving the next largest number of votes may be declared alternates as provided for in Paragraph C, Section 1 of Article III.

There shall be added to Section 1 of Article III an additional paragraph, to be known as Paragraph (c) to read as follows:

(c) Alternates may be selected to act for members of the Divisional Code Authority in the same manner and from the same group as the members of the Divisional Code Authority are selected.

There shall be added to Section 2 of Article III the following

paragraph to be known as Paragraph (e):

(e) There shall be created a Committee of five who shall act in all matters peculiar to the Hat Body and Millinery Supply Trade, and who shall report their findings to the Divisional Code Authority for final action. The members of this Committee shall be selected in the following manner:

(1) Three members of the Divisional Code Authority shall be selected by the Chairman of the Divisional Code Authority to represent the members of the Wholesale Millinery Trade who are also

engaged in the selling of Hat Bodies and Millinery Supplies.

(2) Two members of the Divisional Code Authority shall be selected by the Chairman of the Divisional Code Authority to represent those engaged principally in the Hat Body and Millinery Supply Trade.

There shall be added to Section 2 of Article III the following para-

graph to be known as Paragraph (f):

(f) (1) It being found necessary in order to support the administration of this Supplementary Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Divisional Code Authority is authorized:

a. To incur such reasonable obligations as are necessary and proper for the foregoing purposes, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of this Supplementary Code;

b. To submit to the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Trade.

c. After such budget and basis of contribution have been approved by the Administrator, to determine and obtain equitable contribution as above set forth by all members of the Trade, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(2) Each member of the Trade shall pay his or its equitable contribution to the expenses of the maintenance of the Divisional Code Authority, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Administrator. Only members of the Trade complying with the Code and contributing to the expenses of its administration as hereinabove provided, unless duly exempted from making such contributions, shall be entitled to participate in the selection of members of the Divisional Code Authority or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

(3) The Divisional Code Authority shall neither incur nor pay any obligation substantially in excess of the amount thereof as estimated in its approved budget, and shall in no event exceed the total amount contained in the approved budget except upon approval of the Administrator; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Administrator shall have so approved.

There shall be added to Section 2 of Article III the following

paragraph to be known as Paragraph (g):

(g) To recommend to the Administrator any action or measures deemed advisable, including further fair trade practice provisions, to govern members of the Trade in their relations with each other or with other trades, measures for industrial planning and stabilization of employment; and including modifications of this Supplementary Code which shall become effective as part hereof upon approval by the Administrator after such hearing and notice as he may specify.

There shall be added to Article IV the following Section to be

known as Section V:

Section V. Shipment of Goods.—All shipments by members of the Trade shall be made f.o.b. city of wholesaler, except under circumstances as may be defined by the Divisional Code Authority, subject to the approval of the Administrator.

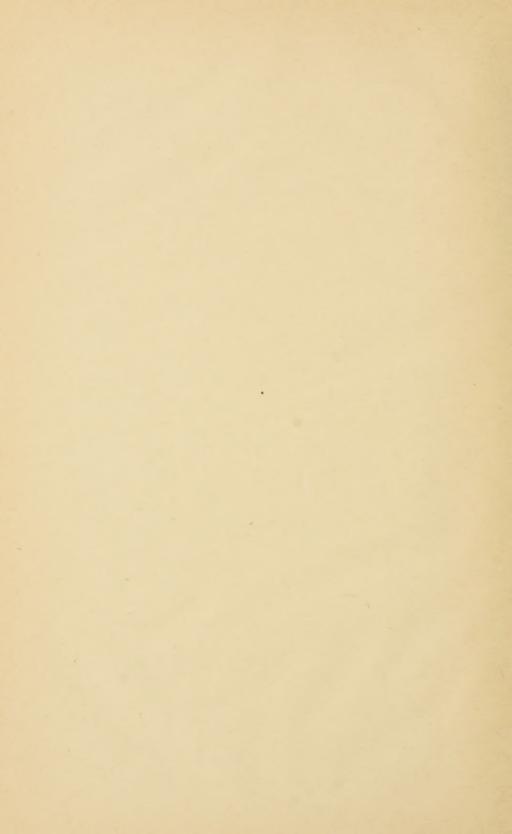
Approved Code No. 201E—Amendment No. 1, Registry No. 1625–59N.

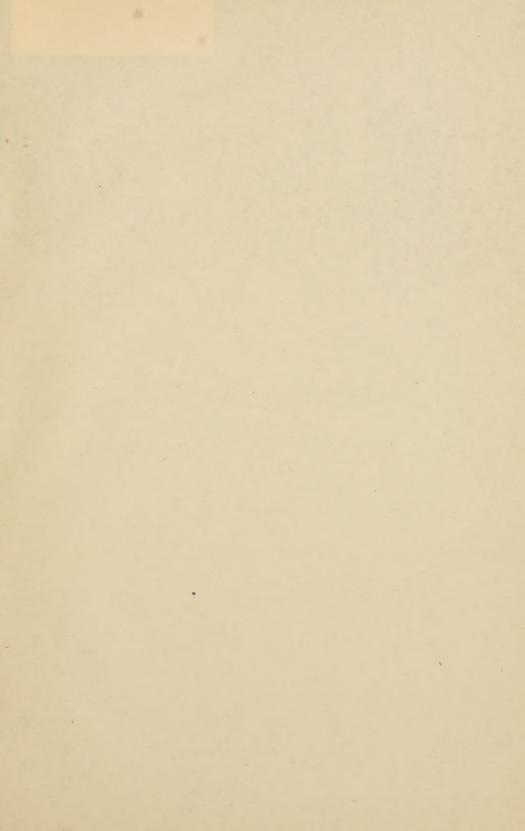
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